

# **FISCAL NOTE**

## **HB 2351 - SB 2489**

February 7, 1998

**SUMMARY OF BILL:** Enacts the *Southern Dairy Compact* to form an interstate compact commission for the southern region. The Compact becomes effective when: (1) the governor has executed the Compact and filed with the Secretary of State; (2) two or more states ratify the Compact as certified by the Commissioner of Agriculture, and (3) Congress approves establishment of the Compact. The Compact is to provide an appropriate price support mechanism for fluid milk, specifically an over-order price that would apply to Class I milk. The Commissioner of Agriculture shall be vested with all powers provided for in the compact and all the powers necessary or incidental to the carrying out of the compact in every particular.

Creates the Southern Dairy Compact Commission. Five delegates from Tennessee shall be appointed by the governor and shall consist of two dairy producers, one consumer representative, one dairy processor and one delegate at large. Each delegate shall serve a 4-year term and shall be confirmed by the Tennessee House of Representatives and the Tennessee Senate. The compensation, if any, of the members of a state delegation shall be determined by each state, but paid by the commission.

### **ESTIMATED FISCAL IMPACT:**

#### **Increase State Expenditures - Not Significant**

Cost associated with implementation by the Department of Agriculture is not estimated to be significant. Each state in the compact will appoint delegates to form a commission. Fees are to be collected by the commission and expenses related to commission activities are to be paid by the commission.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director